



Roads, rails, buses better served by sales tax funding

Our view: A \$42 billion transportation measure holds great promise of weaning ADOT from the gas tax.

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Today's Daily Sun editorial

On paper, \$42 billion for roads, buses and rail is a lot of money.

But spread it over 30 years and the entire state of Arizona, and it frankly doesn't seem like that much.

That's the amount a coalition of builders, state highway officials and the governor's office is proposing to be financed by a 1-cent hike in the state sales tax. Voters would need to approve the tax increase in November.

The sales tax hike is needed, they contend, because the gasoline tax of 18 cents a gallon no longer can pay for new roads and transit. With cars getting more efficient and driving leveling off because of spikes in gas prices, the gas tax is barely bringing in enough to maintain the roads that we have. If current trends hold, the gas tax soon won't even cover ADOT repairs and maintenance.

So rather than try to fiddle with the gasoline tax (converting it to a percentage tax based on price is one option), backers of the transportation package want taxable sales to carry the new funding load. The advantage is that a sales tax more closely tracks actual state growth. The disadvantage is that highway funding is no longer directly provided by users, which could alter the politics of road funding.

Last night saw backers of the plan take public comments in Flagstaff prior to setting the final allocation of funds later this month. Signatures need to be turned in by July 3.

Proponents have done well to mix state highway construction with rail and bus projects. They have also proposed turning over 20 percent of the money to cities and counties to spend as they wish on local projects, and 4 percent more for local bike paths and walkways.

As a result, Coconino County would get \$121 million and the city of Flagstaff an additional \$88 million for roads and transit, with \$36 million more in the entire county for bike and walking paths. That would go a long way toward helping to solve congestion problems along Milton Road and the railroad corridor, fund new highway interchanges and expand the city-funded bus system into Doney Park, Kachina Village, Fort Valley and elsewhere.

In addition, the tax-hike funds will support nearly \$1.9 billion in ADOT improvements in Coconino County highway corridors like Highway 89 north of Flagstaff, State Route 64 north of Williams and I-40 through Flagstaff.

Another plus is that bonds underwritten by the sales tax hike could speed up the widening of I-17 south of Cordes Junction, a growing bottleneck for Flagstaff drivers on their way to Phoenix.

One of the more fascinating proposals in the package involves establishing commuter rail service

along an existing BNSF freight track north from Phoenix all the way to Ash Fork. From there, rail passengers might connect to bus service along I-40 or enhanced Amtrak service.

The package also includes \$1.7 billion statewide for enhanced rural transit service for the elderly and disabled.

Granted, the package is meant to provide something for every corner of the state, the better to generate a statewide majority vote. Backers say the ballot language won't contain specific projects, but it will guarantee a pre-set proportional share to roads, mass transit and bike paths if passed.

If it doesn't pass, ADOT officials are pessimistic about getting any of the road or transit projects on the list built or funded at all, much less in the next decade. The 30-year statewide transportation need, according to ADOT, actually totals \$160 billion, so this ballot measure will pay for just one-quarter of the wish list.

We'd be less supportive if the sales tax hike were just going for new roads, most of which would be built in Phoenix and Tucson. But at Gov. Janet Napolitano's insistence, this measure has a hefty investment in mass transit and rural transportation. That is reassuring, and we look forward to seeing the final language in the ballot measure and hearing the debate this fall.